

 Early Warning System

EBRD-53258

Esan Eczacibasi



Quick Facts

Countries	Turkiye
Specific Location	Balya, Balikesir province
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-02-07
Borrower	Esan Eczacibasi Endüstriyel Hammadeler ve Sanayi ve Ticaret A.S.
Sectors	Energy, Mining
Potential Rights Impacts	Healthy Environment, Labor & Livelihood, Marginalized Groups
Investment Type(s)	Loan
Investment Amount (USD)	\$ 50.00 million
Loan Amount (USD)	\$ 50.00 million
Project Cost (USD)	\$ 246.00 million



Project Description

As stated by the EBRD, the transaction entails the provision of a long-term loan of up to USD 50 million to Esan Eczacibasi Endustryel Hammadeler ve Sanayi ve Ticaret A.S. (Esan).

The EBRD funds will be used to co-finance resource and energy efficiency related investments at the producing Balya lead-zinc-copper mine in Balikesir province in Turkey including construction of an ore hoisting shaft, upgrade of the existing processing plant, construction of a paste fill plant (subject to regulators' approvals) and renewable energy investments.



Early Warning System Project Analysis

The Esan Eczacibasi project (Balya polymetallic mine and associated expansions) presents a range of environmental and social risks typical of large-scale mining, with evidence pointing to both pollution-related health impacts and labour-related concerns. Environmentally, studies from the Balya mining region show high levels of heavy metal contamination (including lead and cadmium) in soils and mine tailings, with carcinogenic risks exceeding safe limits for both adults and children, particularly because mining areas are located close to settlements (see: <https://dergipark.org.tr/en/doi/10.31015/jaefs.2024.1.14>). These findings indicate risks of soil and water contamination, long-term ecosystem damage, and public health impacts. Socially, there is evidence of labour rights concerns and worker precarity, including reported mass layoffs and dismissals linked to unionisation efforts, which triggered protests and union action at the Balya site (see: <https://www.ekonomim.com/kose-yazisi/balyada-neler-oldu-eczacibasi-cozum-yolunu-nasil-buldu/677742>).

Concerns are mostly associated with labour retaliation, dismissal of workers, union busting, especially in the wider context of shrinking civic space in Türkiye.

Communities impacted by the Esan Eczacibasi project are primarily rural, land-dependent populations in western Türkiye, particularly around mining and processing areas such as Balya (Balıkesir) and parts of Muğla. These include village residents, farmers, and livestock keepers whose livelihoods depend on access to land and water, as well as local workers and youth tied to mining-related employment. Evidence indicates that these communities face risks linked to land use change, environmental degradation, and proximity to extractive infrastructure, including threats to agricultural areas such as olive groves: <https://www.cumhuriyet.com.tr/cevre/muglada-yeni-maden-tehdidi-2097821>



Investment Description

- European Bank for Reconstruction and Development (EBRD)



Private Actors Description

As stated by the EBRD, Esan is one of the leading producers of industrial minerals and base metals in Turkey operating the Balya lead-zinc-copper mine in Balikesir province. In addition to the Balya mine, the company operates 40 quarries and nine processing plants producing 3.5mt of raw materials (feldspar, quartz, kaolin etc). Esan currently exports to more than 50 countries and has presence in Italy, Kazakhstan, Uzbekistan and other countries. Esan is owned by Eczacibasi Holding A.S. a diversified group engaged in building products, consumer products, healthcare as well as natural resources, information technology and property development sectors.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Eczacibasi Holding A.S.	Parent Company	Industry and Trade	owns	Esan Eczacibasi Endüstriyel Hammadeler ve Sanayi ve Ticaret A.S.	Client	Mining



Contact Information

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at:

http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>



Bank Documents

- [Translation: Esan Eczacibasi \(Turkish\)](#)

Media

- [Over 240 mine workers in Balikesir dismissed after being unionized](#)